§ 1740.3

§1740.3 Applicant eligibility.

Eligibility for grants is limited to public television stations that serve rural areas, regardless of whether urban areas are additionally served.

§ 1740.4 Maximum amounts of grants.

The maximum grant amount shall be announced in each fiscal year's Notice of Funds Availability.

§ 1740.5 Matching funds.

No matching funds are required in this program.

§ 1740.6 Eligible purposes of grants.

Grants shall be made to enable applicants to perform digital transitions of television broadcasting serving rural areas, regardless of the location of their main transmitter. Grant funds may be used to acquire, lease, and/or install facilities and software necessary to the digital transition. Specific purposes include:

- (a) Digital transmitters, translators, and repeaters, including all facilities required to initiate DTV broadcasting. All broadcast facilities acquired with grant funds shall be capable of delivering DTV programming and HDTV programming, at both the interim and final channel and power authorizations. There is no limit to the number of transmitters or translators that may be included in an application;
- (b) Power upgrades of existing DTV transmitter equipment;
- (c) Studio-to-transmitter links;
- (d) Equipment to allow local control over digital content and programming, including master control equipment;
- (e) Digital program production equipment, including cameras, editing, mixing and storage equipment:
- (f) Multicasting and datacasting equipment;
- (g) Cost of the lease of facilities, if any, for up to three years; and
- (h) Associated engineering and environmental studies necessary to implementation.

§ 1740.7 Ineligible purposes.

(a) Grant funds shall not be used to fund ongoing operations or for facilities that will not be owned by the applicant, except for leased facilities as provided in §1740.6.

- (b) Costs of salaries, wages, and employee benefits of public television station personnel are not eligible for funding under this program unless they are for construction or installation of eligible facilities.
- (c) Facilities for which other grant funding from any source has been approved are not eligible for funding under this program.
- (d) Expenditures made prior to this deadline are not eligible for funding. To be an eligible grant purpose, an expenditure must be made after the application deadline specified in the Notice of Funds Available.

§1740.8 Scoring criteria for the grant competition.

(a) After an application is found to be eligible, it will be scored in three categories: the rurality of the applicant's core coverage area, the average National School Lunch Program eligibility ratio in the applicant's core coverage area, and the critical need for the project.

(b)(1)(i) Scoring in this program is based on a simplified representation of the project's digital coverage area. To find a transmitter's simplified coverage area, go to the FCC TV Query Web site (http://www.fcc.gov/fcc-bin/ audio/tvq.html) and access the station Service Contour Map. This map shows coverage at the appropriate field strength in dBµ, overlaid on a Census Tiger Map. The map also shows counties covered. The core coverage area is the set of counties that are either entirely within the appropriate coverage contour, or are at least seventy-five percent (75%) within the contour. For contours where counties are very large with respect to coverage, as might be the case for some western states and for most translators, there may be only one county within the coverage contour. In such cases, this county is the station's core coverage area. Every transmitter and translator must have a core coverage area consisting of one or more counties.

(ii) In the case of translators, where a coverage contour area does not exist, the applicant shall define a coverage contour area and explain how coverage was estimated. This estimated coverage contour area is subject to acceptance by RUS.

- (2) When an application covers more than one transmitter or translator, the core coverage area of the application is the sum of the core coverage areas of all transmitters and translators included in the application.
- (c) Rurality is a measure of the degree to which a project benefits rural areas. Up to fifty (50) points are available in this category. Urban areas bisected by the computed contour line are disregarded, since they represent fringe viewers. The Rurality score is computed as follows:
- (1) The rural population of a core coverage area must be calculated. The rural population of a county is calculated by subtracting the county's urban population(s) from the total county population. If the core coverage area consists of multiple counties, the rural population is the sum of all included counties' rural populations. Urban area and county populations may be found at the American Factfinder Web site http:// factfinder.census.gov/home/saff/ main.html? lang=en).
- (2) The Rurality score is computed by multiplying the rural population for the core coverage area by one hundred (100), and subtracting fifty (50) from it. If this calculation results in a negative number, the Rurality score is zero. The formula is:
- $100 \times [(total\ population urban\ population)/total\ population] 50$
- (3) If an applicant has no urban communities within the core coverage area, the computation would deliver a score of 50.
- (d) Economic Need will be measured by the ability of the public in an area to support Public Television financially. Up to 25 points are available in this category.
- (1) The score for Economic Need is computed from the average of the National School Lunch Program (NSLP) eligibility percentages for all school districts within the core coverage area. NSLP eligibility percentage information may be obtained from the state or local agency that administers the program, and the application must include

a certification from this organization that the percentages provided are correct. Please note that the score for Economic Need is computed from the eligibility percentage, not the participation percentage. The score is computed by multiplying the average eligibility percentage by 100 (to convert percentage to a whole number), subtracting 25, dividing the quotient by two, and limiting the result to 25 points. A negative result yields a score of zero.

[(average NSLP eligibility percentage \times 100) - 25] \div 2, not to exceed 25 points

- (2) [Reserved]
- (e) Critical Need will be measured by the urgency and importance of the project to the rural community the applicant serves. Up to 25 points are available in this category. Critical Need evaluates factors not captured in the Rurality and Economic Need scoring categories, such as:
- (1) Geographic or coverage characteristics of the public television station's digital television coverage area that make the digital transition unusually expensive;
- (2) A severe lack of specialized human resources (such as teachers) for which digital educational television will compensate;
- (3) Geographic isolation of communities which will be overcome with public television station services;
- (4) Non-traditional community needs (such as adult vocational retraining) that may be met only with digital public television station broadcast capabilities:
- (5) Historical events that have placed the public television station in severe financial stress; and
- (6) The degree to which the project purposes will specifically benefit the rural public.

§1740.9 Grant application.

The grant application must include the following:

- (a) An application for federal assistance. Standard Form 424.
- (b) An executive summary, not to exceed two pages, describing the public television station, its service area and offerings, its current digital transition status, and the proposed project.